

A nonprofit organization formed to provide free rescue and emergency services to distressed persons may be exempt under section 501(c)(3) of the Code.

Advice has been requested whether an organization formed and operated as described below is exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code of 1954.

The organization provides emergency rescue services to stranded, injured, or lost persons. It also provides emergency services to persons suffering because of fire, flood, accident, or other disaster. No charge is made for any of these services. The organization is financed by public contributions and dues from the volunteer members and uses its funds for purchasing equipment and for paying expenses of operation.

Section 501(c)(3) of the Code provides for the exemption from Federal income tax of organizations organized and operated exclusively for charitable purposes. Section 1.501(c)(3)-1(d)(2) of the Income Tax Regulations states that the term 'charitable' is used in section 501(c)(3) in its generally accepted legal sense.

It is held that, by providing rescue services and emergency aid to distressed persons in the manner described, the organization is serving a charitable purpose by protecting the health, safety, and life of persons.

Accordingly, the organization is exempt from Federal income tax under section 501(c)(3) of the Code.

Even though an organization considers itself within the scope of this Revenue Ruling, it must (in order to establish exemption under section 501(c)(3) of the Code) file an application on Form 1023, Exemption Application, with the District Director of Internal Revenue for the internal revenue district in which is located the principal place of business or principal office of the organization. See section 1.501(a)-1 of the regulations.